

CITY OF WACONIA
November 7, 2016

Pursuant to due call and notice thereof, the regular meeting of the City Council of the City of Waconia was called to order by Mayor Jim Sanborn at 6:00 p.m. The following members were present: Jim Sanborn, Kent Bloudek, Lynn Ayers, Marc Carrier, Charles Erickson.

Staff Present: Susan Arntz, Lane Braaten, Craig Eldred, Nicole Lueck.

Visitors: Cole Dans, Brent Davis, Katie Schroeder, Bruce & Alice minor, Tom Ryan, Michelle Ridel, Donald Mack, Sam Mack, Kellie Sites.

Pledge of Allegiance was led by Mayor Sanborn.

ADOPT AGENDA: Motion by Carrier, seconded by Ayers to adopt the agenda as presented. All present voted aye.
MOTION CARRIED.

VISTOR'S PRESENTATION: None

ADOPT CONSENT AGENDA

- 1) Authorize Payment of November 7, 2016 Expenditures.
- 2) Adopt a Motion to Approve Pay Estimate No. 2 to Ellingson Drainage.
- 3) Adopt a Motion to Approve Pay Request No. 4 to Shaw Construction.
- 4) Adopt a Motion to Approve Pay Estimate No. 3 to Minger Construction.
- 5) Adopt a Motion to Approve Multiple Contractor Payment Requests for the Lion's Field Grandstand Project.
- 6) Adopt a Motion to Approve Pay Estimate No. 4 to GMH Asphalt.
- 7) Adopt a Motion to Approve Request for Lodging Tax Reimbursement.
- 8) Adopt Resolution No. 2016-206, Approving Forgiveness of Remaining Principal Balance for Building Code Compliance Revolving Loan for BIG Athletics.
- 9) Adopt Resolution No. 2016-207, Approving Mutual Agreement for 2016-2017 Winter Towing Services provided by Colony Plaza of Waconia.
- 10) Adopt Resolution No. 2016-208, Accepting Donation of Cash for Construction of Community Garden Planter Box Water Feature at Brook Peterson Park.
- 11) Adopt Resolution No. 2016-209, Approving Modification to Interfund Loan from the Sanitary Sewer Fund to the Capital Project Fund for Clearwater Shores.
- 12) Adopt Resolution No. 2016-210, Approval of Property Transfers from Waterford Master Association to the City of Waconia.
- 13) Adopt Resolution No. 2016-211, Authorize Public Services Director to Sign Operations and Maintenance Agreement for in Towne Marina Sediment Reduction Project.
- 14) Adopt Resolution No. 2016-212, Authorize Public Services Director to Prepare Requests for Proposals.
- 15) Adopt Resolution No. 2016-213, Authorize Public Services Director to Authorize Revised Project Change Orders for Lion's Field Grandstand.
- 16) Adopt Resolution No. 2016-219, Authorizing Disposal of Abandoned Vehicle.
- 17) Adopt Resolution No. 2016-221, Approving 2016 4th Quarter Budget Amendments.
- 18) Adopt Resolution No. 2016-222, Approving Surplus Equipment & Sale.

Council Member Erickson requested that item #8 be removed from the Consent Agenda for further discussion. Motion by Ayers, seconded by Carrier to Adopt the Consent Agenda as amended. All present voted aye. **MOTION CARRIED.**

COUNCIL BUSINESS

New 2016 Winter Maintenance Policy: Craig Eldred did an overview of the new Winter Maintenance Policy stating that the City of Waconia has had a written policy since 1999. In the past updates to the policy have occurred including roadway additions, service level changes due to practices and needs.

Eldred explained that this year we're providing a new Winter Maintenance Policy with enhancements guided to protect the City further if liability issues were to occur as Public Services delivers winter maintenance services to

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Public Facilities, Roadways, Trails, Sidewalks. A core group of winter maintenance professionals gathered with an Attorney, and established a Technical Advisory Committee to review legal issues in relation to winter maintenance of public and private sites.

From this TAC group a new draft Winter Maintenance Policy was established which supports the activities taken by Public/Governmental, and Private Contractors who provide winter services.

The new policy details more information and provisions of Public Safety, Personal Safety, Environmental, Technical and Adaptability for winter maintenance services. Service levels, based upon priorities, training, record keeping, and delegation of authority support the services provided by the different providers. In addition to these critical items we were able to include pertinent information subjective to the city in regards to Parking, Operations, and Customer Service Response.

Motion by Bloudek, seconded by Carrier to Adopt Resolution No. 2016-214, Approving the New 2016 City of Waconia Winter Maintenance Policy. All present voted aye. **MOTION CARRIED.**

Sudheimer Retail Preliminary and Final Plat Applications: Lane Braaten stated that the City has received a preliminary and final plat application from Tom Ryan, on behalf of KTJ 290, LLC, for the properties located at 10590 & 10594 10th Street West. The preliminary and final plat, titled Sudheimer Retail Addition, is proposed to include three (3) commercial parcels and one (1) outlot, along with the dedication of right-of-way.

The subject parcels, located at 10590 and 10594 10th Street West, are currently undeveloped and located within the Waconia City Limits. Specifically, the properties are located south and east of the intersection of Hwy. 5 and County Road 10. Most recently the properties were used as a staging area for construction equipment and materials during the Hwy. 5, Cherry Street and 10th Street road construction projects.

The applicant is proposing three main accesses to the development, two full accesses off of 10th Street West and a right in only access off of Cherry Street. Staff finds the proposed accesses off of 10th Street to be in compliance with the City Standards. The final Cherry Street Access will be subject to the final review and approval of the City Engineer and the Public Services Director.

The landscaping plans for the properties will be reviewed and approved as part of the Site Plan and Design Review Applications for each of the subject parcels at the time of development.

Braaten mentioned that the City has installed the sidewalk along the 10th Street West and trail along the remainder of the parcel as a part of the highway 5 project last year. The applicant is also proposing internal sidewalks linking the existing sidewalk and trails to the three parcels.

Braaten explained the requirements for parks, schools, playgrounds and open space requiring at least 10% of the gross land in a subdivision be dedicated unless cash in lieu of land is approved. After reviewing the plat the Park and Recreation Board recommended the City Council accept cash in lieu of land as the area is not desirable for any of the immediacies mentioned. This amount will be \$5,000 per acre, not including the land occupied by wetlands and the right of ways.

Motion by Erickson, seconded by Bloudek to Adopt Resolution No. 2016-215, Approving the Sudheimer Retail Addition Preliminary and Final Plat Applications. All present voted aye. **MOTION CARRIED.**

Site Plan and Design Review for Proposed Retail Multi-Tenant Building: Braaten stated that Tom Ryan, the applicant for KTJ 290, LLC has submitted an application for the Site Plan and Design Review for the parcel described as Lot 1, Block 1 Sudheimer Retail Addition. The applicant is proposing the construction of a freestanding 9,300 sq. ft. retail building, a 7,500 sq. ft. multi-tenant building and other site improvements on the property.

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This parcel is located in the B-1 Highway Business Zoning District. The proposed retail uses are permitted in the B-1 Zoning District. The drive through business is a permitted use with special restriction. There are proposed to be two buildings on this lot, one being a multi-tenant building along highway 5 and the building along County Road 10 being a Dollar Tree. Braaten pointed out on the map locations of trash enclosures, drive thru, shared access onto the parcel and the loading dock. Braaten also gave an overview on the floor plan, exterior materials of the building window glazing, and landscape plan. Parking requirements have been met and the developer will come back and propose signage for the entire development.

The lighting plan as well as trash enclosures appear to conform to the City ordinance standards. The applicant is proposing 24 trees, which when considered as part of the whole is in compliance with City Ordinance requirements. Braaten clarified that the 17 additional trees required for the frontage of the entire development along Hwy 5 are required to meet the 3 inch/8ft standard rather than the typical 2.5 inch deciduous and the 6 ft coniferous tree standards. The landscape plans shall be modified to clarify where the 17 larger trees shall be planted throughout the development.

Braaten explained that the landscaping, lighting and signage are the same for all three applications.

Site Plan and Design Review for the Proposed Culvers Restaurant: Braaten stated that the applicant, Tom Ryan has submitted an application for Site Plan and Design review for Lot 2, Block 1, Sudheimer Retail Addition. The applicant is proposing the construction of a freestanding Culvers Restaurant. Braaten stated that there were four style of building materials for Culvers and the developer/owner shoes their preferred option which Braaten walked the Council through.

Braatens presentation included:

- Lot size is conforming to our requirements
- Maximum hard coverage is compliant with our standards
- Culvers is meeting all set back requirements
- Proposing a shared entrance
- The parking requirements are met
- A shared parking agreement will be needed between the two property owners
- Landscaping – same comments stated in the previous application
- Signage application statement is the same as the other application
- Lighting and trash enclosure comments are the same comments as previous application
- Grading, drainage and utilities are addressed in the memo and are part of the 17 conditions of approval
- Braaten described the floor plan and exterior materials chosen for Culvers restaurant

Site Plan and Design Review for the Proposed Holiday Station: Braaten stated that the applicant, Tom Ryan submitted an application for Site Plan and Design Review for the parcel described as Lot 3, Block 1, Sudheimer Retail Addition. The applicant is proposing the construction of a free standing Holiday Gas Station and car wash located on the corner of Highway 5, Cherry Street and County Road 10. Hard coverage area, height and set back requirements are compliant with the design standards.

Braaten described in detail the layout and the floor plan of Lot 3, Block 1, the Holiday Station location. Landscape plan, parking spaces, signage requirements, lighting plans, trash enclosure, grading, drainage, utility and exterior finishes are compliant with the design standards.

Council Member Erickson asked what the time frame was on these properties.

Tom Ryan came forward and stated that they are expecting next fall. They would like to get started as soon as possible this spring.

Motion by Erickson, seconded by Bloudek to Adopt Resolution No. 2016-216, Approving the Site Plan and Design Review for the Proposed Retail Building, Multi-Tenant Building and Site Improvements for Lot 1, Block 1. All present voted aye.

MOTION CARRIED.

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Motion by Ayers, seconded by Carrier to Adopt Resolution No. 2016-217, Approving the Site Plane and Design Review for the Proposed Culver's Restaurant and Site Improvements for Lot 2, Block 1. All present voted aye. **MOTION CARRIED.**

Motion by Carrier, seconded by Bloudek to Adopt Resolution No. 2016-218, Approving the Site Plan and Design Review for the Proposed Holiday Station and Site Improvements for lot 3, Block1. All present voted aye. **MOTION CARRIED.**

Use Agreement with Waconia Baseball Association and ISD 110: Susan Arntz explained that as part of the Grandstand Project, the City has been working with the Baseball Association on a new agreement for the use of the Baseball Park. Attached is a copy of the proposed agreement. Upon execution, this agreement will replace the 1996 Agreement and includes a new partner, ISD 110. The salient points of the agreement include:

- ISD 110 shall have priority over all other uses of the Park during the Spring MSHSL Baseball Season.
- ISD 110 shall have signage installed that says "Home of the Wildcats"
- WBA retains the rights to make determinations regarding field conditions and ability to play and use the field.
- Entrance fees belong to the user of the field at the time (for ISD 110 games, ISD 110 keeps the entrance fees; for WBA games and events, WBA keeps entrance fees).
- WBA retains the ability to sell concessions.
- As partial consideration for use and signage, ISD 110 shall pay the City \$400,000 over a 20 year period of time.
- As partial consideration for use rights, WBA shall pay the City \$474,754 over a 10 year period of time, some of these funds have already been paid to the City.
- WBA agrees to maintain the fields and grandstand and pay all costs as described in Exhibit C of the proposed agreement including:
 - Maintain the Baseball Park in a clean, safe and sanitary condition and pay all janitorial expenses associated therewith;
 - Coordinate refuse removal with the City and reimburse the City for the WBA's proportionate share of refuse removal costs (based upon refuse generated by the Baseball Park in relation to refuse generated by the City's adjacent park facilities);
 - Provide electricity, gas, water, sewer, and to the Baseball Park;
 - Provide lighting for night games;
 - Mow and fertilize all turf;
 - Rake and level all gravel;
 - Keep all portions of the Baseball Park in good condition and repair;
 - Replace, as reasonably necessary, any elements of the Baseball Park that break or wear out during the Term of the agreement.

At all times maintain the baseball field, turf, and ancillary elements so as to have safe playing conditions.

Council Member Ayers asked for Arntz to recap what the agreement states about default.

Arntz replied that if the School District fails to make a payment they can be found to be in default. They have a time period to correct before the Council can take action. The main piece that we have is if they go into default they lose their access to the facility. The same goes for the Baseball Association although they have more provisions concerning up keep.

Motion by Bloudek, seconded by Erickson to Adopt Resolution No. 2016-220, Approving Use Agreement with Waconia Baseball Association and ISD 110. All present voted aye. **MOTION CARRIED.**

ITEMS REMOVED FROM CONSENT AGENDA:

Approving Forgiveness of Remaining Principal Balance for Building Code Compliance Revolving Loan for BIG Athletics: Nicole Lueck came forward and explained that on September 6, 2011, the City Council approved two revolving

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loans for BIG Athletics. BIG Athletics was approved for a traditional revolving loan totaling \$61,450 and a building code compliance revolving loan totaling \$20,500. Both loans were approved for tenant space improvements including restrooms and a sprinkler system for their location on Marketplace Drive. Both loans were originally secured with a mortgage on property owned by BIG Athletics. When the traditional revolving loan was paid off early (May 2014), the owner switched the security for the building code compliance loan to a letter of credit.

The building code compliance revolving loan was amortized for 10 years according to the revolving loan fund policy and is eligible for forgiveness after 5 years of on time payments and full compliance with the policy. BIG Athletics has met these requirements and is eligible to have the rest of the principal due on the loan forgiven as of October 2, 2016. Their final payment due was on October 1, 2016.

After the October 1, 2016 payment posted, the remaining principal due on the loan is \$10,767.79. Over the course of the last 5 years, BIG Athletics has paid repaid \$9,732.21 in principal and \$1,548.80 in interest.

Staff recommends forgiveness of the remaining principal due on the building code compliance loan as of October 2, 2016 and release of the letter of credit being held for repayment of the loan. The outstanding principal written off will be shown as a 2016 expense in the revolving loan fund.

Lueck stated that we no longer issue this time of loan because they City had only one applicant. Staff has been following and the applicant has been really good to work with and always paid on time. The conditions of this particular loan was written as to if the applicant made all payments for the first five years the second half of the loan would be forgiven.

Motion by Erickson, seconded by Carrier to Adopt Resolution 2016-206, Approving Forgiveness of Remaining Principal Balance for Building Code Compliance Revolving Loan for BIG Athletics. All present voted aye. **MOTION CARRIED.**

STAFF REPORTS: Susan Arntz gave a reminder that Elections are tomorrow. Ward 1 votes at the Waconia Ice Arena and Ward 2 votes at Trinity Lutheran Church.

BOARD REPORTS:

Councilmember Erickson – No Report

Councilmember Bloudek – No Report

Councilmember Carrier – No Report

Councilmember Ayers – Attended the Carver County Elected Leaders meeting where they did a recap of the Ryder Cup and had a presentation from the greater MSP. Next meeting is January to talk about Housing and Homelessness

Mayor Sanborn – No Report

ANNOUNCEMENTS: Winter Parking is in effect

ADJOURN:

Motion by Erickson, seconded by Bloudek to adjourn the meeting at 7:09 p.m. All present voted aye. MOTION CARRIED

Jim Sanborn, Acting Mayor

ATTEST: _____
Ann Meyerhoff, Office Assistant